

THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON WASHINGTON, DC 20301-3010

June 10, 2001

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
INSPECTOR GENERAL OF THE DEPARTMENT OF
DEFENSE
DIRECTORS OF DEFENSE AGENCIES

SUBJECT: The New DoD Regulation 5000.2-R

The Department's new vision for acquisition was published in DoD Directive 5000.1 and DoD Instruction 5000.2, effective October 23, 2000. We also published interim guidance (conforming to the new policy) for the DoD Regulation 5000.2-R while we completed work on the revised regulation. That third piece of the DoD 5000 policy series is now complete and is attached for immediate implementation. This memorandum outlines my view for putting our new vision into practice.

DoD's new acquisition vision provides a process that promotes the kind of acquisition, technology, and logistics excellence that enables us to maintain our technological superiority by fielding (to our users) the best systems with available technologies that are supportable, interoperable, and affordable in less time and at less cost. In changing our strategy for systems development and acquisition, as outlined in our new DoD 5000 policy documents, my objective is to reduce cycle time and achieve an average of five to seven years from program launch to production. My staff is developing a set of metrics to measure our progress. I will provide additional information on our metrics in a separate memorandum.

Achieving these goals will require us to change the way we think about new systems. We will have to rely more heavily on commercial technologies and products, particularly in our subsystems and components. This will require much more market research and a willingness to use the cost-as-an-independent-variable process to work with the requirements community to adjust performance parameters based on the results of that market research. We also have to move forward through the development process based upon accumulating knowledge that is validated by simulation or test.



We must also take on new roles. The science and technology community must be more actively engaged in enabling the rapid transition of mature technologies to product developers and must actively participate in integrated product teams where technology managers can provide independent assessments of technology maturity. The system development and requirements communities must be more willing to create evolutionary strategies in order to deploy systems more quickly and then update them as more advanced technology is proven. The test and evaluation community must capitalize on the benefits of using modeling and simulation throughout the acquisition process to facilitate learning during development, and must ensure that confirmation tests align with evolutionary requirements. The support community must be more open to innovative support strategies that focus on availability and innovation, and less on traditional approaches. In short, we must change our organizational culture and environment.

Doing business as we have in the past will not allow DoD to continue to put superior systems into the hands of our users. We must adopt a new business approach with revolutionary changes in business practices aimed at obtaining a force that is more mobile, lethal, and easily supportable by incorporating today's best technologies and leaping ahead to generation-after-next technologies in order to maintain superiority. We now have the policy tools and a more flexible process that facilitates streamlined decision making to support our vision of acquisition, technology, and logistics excellence. To focus senior leadership attention and reduce decision delay, I have restructured the Defense Acquisition Board (DAB) to include the Service Secretaries and have decreased overall DAB membership. However, our policy documents and new process do not provide all of the answers on how to operate. We will continue to learn as we go, using a process of catalytic change in which we will develop the right procedures as we strive to achieve our objectives. To accomplish this goal, we all will have to apply our best judgements and common sense in structuring acquisition strategies. Together we must seize this opportunity. We can do no less for our soldiers, sailors, airmen, and marines.

I look forward to your active support of our new process, and your participation, as we work together to make our vision of acquisition, technology, and logistics excellence a reality.

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Attachment: As stated